

ASSEMBLY BILL

No. 2368

Introduced by Assembly Member Gordon

February 18, 2016

An act to add and repeal Article 15.1 (commencing with Section 8332) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, relating to child care and development services.

LEGISLATIVE COUNSEL'S DIGEST

AB 2368, as introduced, Gordon. Child care and development services: individualized county child care subsidy plan: County of Santa Clara.

The Child Care and Development Services Act has a purpose of providing a comprehensive, coordinated, and cost-effective system of child care and development services for children from infancy to 13 years of age and their parents, including a full range of supervision, health, and support services through full- and part-time programs. Existing law requires the Superintendent of Public Instruction to develop standards for the implementation of quality child care programs. Existing law authorizes the County of Alameda, as a pilot project, to develop an individualized county child care subsidy plan, as provided.

This bill would authorize, until January 1, 2022, the County of Santa Clara to develop an individualized county child care subsidy plan, as specified. The bill would require the plan to be submitted to the local planning council and the Santa Clara County Board of Supervisors for approval, as specified. The bill would require the Early Education and Support Division of the State Department of Education to review and approve or disapprove the plan and any subsequent modifications to the plan. The bill would require the County of Santa Clara to annually

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

(1) An assessment to identify the county's goals for its subsidized child care system. The assessment shall examine

1 whether the current structure of subsidized child care funding
2 adequately supports working families in the county and whether
3 the county's child care goals coincide with the state's requirements
4 for funding, eligibility, priority, and reimbursement. The
5 assessment shall also identify barriers in the state's child care
6 subsidy system that inhibit the county from meeting its child care
7 goals. In conducting the assessment, the county shall consider all
8 of the following:

9 (A) The general demographics of families who are in need of
10 child care, including employment, income, language, ethnic, and
11 family composition.

12 (B) The current supply of available subsidized child care.

13 (C) The level of need for various types of subsidized child care
14 services, including, but not limited to, infant care, after-hours care,
15 and care for children with exceptional needs.

16 (D) The county's self-sufficiency income level.

17 (E) Income eligibility levels for subsidized child care.

18 (F) Family fees.

19 (G) The cost of providing child care.

20 (H) The regional market rates, as established by the department,
21 for different types of child care.

22 (I) The standard reimbursement rate or state per diem for centers
23 operating under contracts with the department.

24 (J) Trends in the county's unemployment rate and housing
25 affordability index.

26 (2) (A) Development of a local policy to eliminate
27 state-imposed regulatory barriers to the county's achievement of
28 its desired outcomes for subsidized child care.

29 (B) The local policy shall do all of the following:

30 (i) Prioritize lowest income families first.

31 (ii) Follow the family fee schedule established pursuant to
32 Section 8273 for those families that are income eligible, as defined
33 by Section 8263.1.

34 (iii) Meet local goals that are consistent with the state's child
35 care goals.

36 (iv) Identify existing policies that would be affected by the
37 county's plan.

38 (v) (I) Authorize an agency that provides child care and
39 development services in the county through a contract with the
40 department and either provides direct services or contracts with

1 licensed providers or centers to apply to the department to amend
2 existing contracts in order to benefit from the local policy.

3 (II) The department shall approve an application to amend an
4 existing contract if the plan is modified pursuant to Section 8332.3.

5 (III) The contract of a department contractor who does not elect
6 to request an amendment to its contract remains operative and
7 enforceable.

8 (C) The local policy may supersede state law concerning child
9 care subsidy programs with regard only to the following factors:

10 (i) Eligibility criteria, including, but not limited to, age, family
11 size, time limits, income level, inclusion of former and current
12 CalWORKs participants, and special needs considerations, except
13 that the local policy shall not deny or reduce eligibility of a family
14 that qualifies for child care pursuant to Section 8353. Under the
15 local policy, a family that qualifies for child care pursuant to
16 Section 8354 shall be treated for purposes of eligibility and fees
17 in the same manner as a family that qualifies for subsidized child
18 care on another basis pursuant to the local policy.

19 (ii) Fees, including, but not limited to, family fees, sliding scale
20 fees, and copayments for those families that are not income eligible,
21 as defined by Section 8263.1.

22 (iii) Reimbursement rates.

23 (iv) Methods of maximizing the efficient use of subsidy funds,
24 including, but not limited to, multiyear contracting with the
25 department for center-based child care, and interagency agreements
26 that allow for flexible and temporary transfer of funds among
27 agencies.

28 (3) Recognition that all funding sources utilized by direct service
29 contractors that provide child care and development services in
30 the county and contractors that contract with licensed providers
31 and centers are eligible to be included in the county's plan.

32 (4) Establishment of measurable outcomes to evaluate the
33 success of the plan to achieve the county's child care goals, and
34 to overcome any barriers identified in the state's child care subsidy
35 system.

36 (b) Nothing in this section shall be construed to permit the
37 county to change the regional market rate survey results for the
38 county.

39 8332.3. (a) The plan shall be submitted to the local planning
40 council, as defined in subdivision (g) of Section 8499, for approval.

1 Upon approval of the plan by the local planning council, the Board
2 of Supervisors of the County of Santa Clara shall hold at least one
3 public hearing on the plan. Following the hearing, if the board
4 votes in favor of the plan, the plan shall be submitted to the Early
5 Education and Support Division of the department for review.

6 (b) Within 30 days of receiving the plan, the Early Education
7 and Support Division shall review and either approve or disapprove
8 the plan.

9 (c) Within 30 days of receiving a modification to the plan, the
10 Early Education and Support Division shall review and either
11 approve or disapprove that modification to the plan.

12 (d) The Early Education and Support Division may disapprove
13 only those portions of modifications to the plan that are not in
14 conformance with this article or that are in conflict with federal
15 law.

16 8332.4. The county shall, by the end of the first fiscal year of
17 operation under the approved child care subsidy plan, demonstrate,
18 in the report required pursuant to Section 8332.5, an increase in
19 the aggregate days a child is enrolled in child care in the county
20 as compared to the enrollment in the final quarter of the 2014–15
21 fiscal year.

22 8332.5. (a) The county shall annually prepare and submit to
23 the Legislature, the State Department of Social Services, and the
24 department a report that summarizes the success of the county's
25 plan, and the county's ability to maximize the use of funds and to
26 improve and stabilize child care in the county.

27 (b) A report to be submitted pursuant to subdivision (a) shall
28 be submitted in compliance with Section 9795 of the Government
29 Code.

30 8332.6. A participating contractor shall receive an increase or
31 decrease in funding that the contractor would have received if the
32 contractor had not participated in the plan.

33 8332.7. This article shall remain in effect only until January
34 1, 2022, and as of that date is repealed, unless a later enacted
35 statute, that is enacted before January 1, 2022, deletes or extends
36 that date.

37 SEC. 3. The Legislature finds and declares that a special law
38 is necessary and that a general law cannot be made applicable
39 within the meaning of Section 16 of Article IV of the California
40 Constitution because of the unique circumstances in the County

1 of Santa Clara. Existing law does not reflect the fiscal reality of
2 living in the County of Santa Clara, a high-cost county where the
3 cost of living is well beyond the state median level, resulting in
4 reduced access to quality child care. In recognition of the
5 unintended consequences of living in a high-cost county, this act
6 is necessary to provide children and families in the County of Santa
7 Clara proper access to child care through an individualized county
8 child care subsidy plan. .

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